Revival of TCIL

559. SHRI JIBON ROY:
SHRI NILOTPAL BASU:

Will the Minister of INDUSTRY be pleased to state:

(a) whether revival scheme for Tyre Corporation of India Ltd. was sanctioned by BIFR in February, 1996;

(b) whether it was referred back to BIFR because of the appeal of Government before AAIFR;

(c) whether the sanctioned scheme was again re-published as a draft scheme on 20th February, 1997;

(d) whether during BIFR hearing on 26th May, 1997 Government has given only partial consent to the scheme circulated by BIFR;

(e) whether BIFR directed Government to submit the revised scheme by 21st July, 1997, failing which an advertisement would be made for change in management;

(f) whether any such scheme has been submitted by Government; and

(g) if not, action being taken by Government to revive the Company without resorting to change in management?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Yes, Sir.

(d) to (g) Government after considering the Draft Rehabilitation Scheme, agreed to substantial reliefs and concessions including infusion of funds for revival of the company. However, Government could not agree to provide bridge loan for Braided Hose Project of Tangra Unit. BIFR during its hearing on 14.5.97, inter alia, directed Government of India to identify the joint venture partner, get an agreement signed and send a revival proposal to Operating Agency (OA) by 25.6.97. Pursuant to the BIFR directions, SBICAP has been engaged for locating a suitable joint venture partner and offers have been received through open advertisement which are under evaluation. BIFR has given time upto 14.1.98 to the Government to submit Joint Venture proposal.

Installed capacity and production in car industry

560. SHRI GHUFRAN AZAM: Will the Minister of INDUSTRY be pleased to state:

(a) the number and details of car industry with their respective installed capacity and production turnover since their launching production programme;

(b) whether it is a fact that Industry has been a disturbing feature of Indian economy; and

(c) if so, the facts and details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) At present there are 9 companies with an installed capacity of 7.8 lakhs for manufacture of passenger cars including light commercial vehicles. Relevant details are given in the Statement annexed (*See* below).

(b) and (c) Automobile industry, particularly the passenger car and multi-utility vehicles segment has been growing steadily. Passenger cars and multi utility vehicles have recorded a growth rate of 33% in 1995-96 and 17% in 1996-97. However, because of the recent slow down in the economy and depressed market conditions, there has been a decline in the growth of sales of passenger cars from 19% in April-August, 1996 to 8% in April-August, 1997.